

Exhibit A

Administrative Resources

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TO CITY COUNCIL

DATE: March 19, 2007

TO: John Jermanis, City Manager

John Jermanis

FROM: Hanson Hom, Community Development Director City Manager

BY: Debbie Pollart, Planning Manager

SUBJECT PROJECT/PROJECT DESCRIPTION:

MATTER OF ORDINANCE AMENDING SAN LEANDRO ZONING CODE AS FOLLOWS RELATING TO ASSEMBLY USES: ARTICLE 3, DELETING DEFINITIONS FOR 'CLUBS & LODGES' AND 'RELIGIOUS ASSEMBLY' AND ADDING A NEW DEFINITION FOR 'ASSEMBLY USES'; ARTICLE 5, AMENDING SECTIONS 2-504, 2-506, 2-508, AND 2-510 FOR CONSISTENCY WITH NEW DEFINITIONS; ARTICLE 13, ADDING NEW SECTIONS 3-1320 THROUGH 3-1330; ARTICLE 17, AMENDING SECTION 4-1704; AND MATTER OF AMENDING SAN LEANDRO ZONING MAP TO INCLUDE 197 PROPERTIES WITH AN ASSEMBLY USE (-AU) OVERLAY DISTRICT DESIGNATION, WHICH WOULD ALLOW ASSEMBLY USES TO BE CONDITIONALLY PERMITTED ON THESE PROPERTIES.

SUMMARY AND RECOMMENDATION

In response to an application by a church to re-locate to a non-residential district, staff analyzed the possibility of allowing assembly uses (defined as 'clubs & lodges' and 'religious assembly') on appropriate non-residential sites, and expanding the land use options within the City for assembly uses. In addition, supplementary Zoning Code amendments, begun in 2003 for consistency with the federal government's Religious Land Use and Institutionalized Persons Act (RLUIPA), are being proposed. These proposed amendments relate to the definition for assembly uses and the allowable zoning districts for these uses.

Recommendation:

The Board of Zoning Adjustments, the Planning Commission and staff recommend that the City Council hold a public hearing and adopt the Negative Declaration; adopt the proposed Zoning Code amendments to Articles 3, 5, 13, and 17; and the Zoning Map amendments for the 197 identified properties.

BACKGROUND

An existing church in San Leandro recently purchased the property at 14600 Catalina (formerly occupied by MDL). On May 18, 2006, staff received an application from the church requesting a Zoning Code amendment to conditionally permit Assembly uses in Industrial Limited (IL) zones, and to rezone their property from Industrial Professional (IP) to IL (thus setting up the possibility for review of a use permit for an assembly use at the 14600 Catalina site).

A joint worksession with the Board of Zoning Adjustments and Planning Commission was held on October 19. Based upon policy and criteria set forth in the General Plan, staff presented two options for consideration: 1) Amend the Zoning Code to allow Assembly Uses (includes 'clubs & lodges' and 'religious assembly') as conditionally permitted in the IL zone; or 2) Apply an Assembly Use Overlay to identified areas. The direction given by the Board and Commission was for staff to move forward with consideration of Option 2. Subsequent to the joint work session, and after additional data analysis by staff, this option was presented to several advisory committees, including the West San Leandro/MacArthur Boulevard Redevelopment Area Advisory Committee, the Chamber of Commerce Government Affairs Committee, and the Joint Redevelopment Area Advisory Committee. At the December 7, 2006 Board of Zoning Adjustments meeting, the refined proposal for an Assembly Use Overlay was presented to the Board for comment. Available meeting minutes are attached.

DRAFT ORDINANCE

The proposed amendments may be summarized with the following changes:

- Amend *Article 3 – Definitions*, delete 'Clubs and Lodges' and 'Religious Assembly' definitions and replace with new 'Assembly Use' definition;
- Amend *Article 5 – Residential*, to delete separate 'Religious Assembly' and 'Clubs and Lodges' terms and replace with 'Assembly Uses' (to be conditionally permitted in all R zones);
- Amend *Article 13 – Special Review Overlay District*, to include new sections addressing formation and applicability of an Assembly Use Overlay;
- Amend *Article 17 – Off-Street Parking and Loading Regulations*, to make consistent with other amendments;
- Amend the Zoning Map to show an Assembly Use (-AU) designation for those properties designated for the Assembly Use Overlay (underlying zoning designations will not change).

DISCUSSION

In evaluating the policy issue of expanding the locations where assembly uses could locate in the City, staff notes that analyzing this matter raises larger General Plan policy issues. Staff looked at the following overriding General Plan Policies for guidance:

¶ General Plan Policy 10.04 *Industrial Sanctuary* – Protect the City's major industrial areas from encroachment by uses that are potentially incompatible with existing viable

industrial activities, or which may inhibit the ability of industry to operate effectively; and General Plan Policy 33.04 *Separation from Sensitive Uses* – Provide adequate and safe separation between areas where hazardous materials are present and sensitive uses such as schools, residences and public facilities.

The following General Plan policies were also considered:

- Policy 7.09 – Build upon the locational strengths and transportation features of West San Leandro to support the area's continued development as a major industrial, technology, and office employment center. In accordance with the West San Leandro Plan, limit the encroachment of incompatible residential and retail uses into the area, and promote additional development and redevelopment with manufacturing, technology, warehouse and distribution, office/flex, and similar uses.
- Policy 7.10 – Facilitate the gradual transition of the South-of-Marina (SOMAR) area into a cohesive light industrial district characterized by light manufacturing, office/flex, research and development, bio-medical, e-commerce, and similar uses, along with complementary business services and employee amenities.
- Policy 13.01 – Ensure that future land use development decisions are in balance with the capacity of the City's transportation system.

In addition, Article 1 of the Zoning Code stipulates that the broad purpose of the Zoning Code is to protect and promote the public health, safety, and general welfare, and to implement the policies of the City of San Leandro General Plan. More specifically, the Zoning Code is intended to:

- Provide a precise guide for the physical development of the City in accord with the policies of the General Plan;
- Preserve the character and quality of residential neighborhoods and commercial and industrial areas consistent with the character of the development districts of the City;
- Promote the economic stability of existing land uses that are consistent with the development policies of the General Plan and protect them from intrusions by inharmonious or harmful land uses;

Article 7 – Industrial District indicates the following specific purposes:

- ✎ Provide appropriately located areas consistent with the General Plan for a broad range of manufacturing, distribution and storage, and service areas;
- ✎ Strengthen the City's economic base, and provide employment opportunities close to home for residents of the City and surrounding communities;

¶ Provide a suitable environment for various types of industrial uses, and protect them from the adverse impacts of inharmonious uses;

Based on General Plan policies such as those noted above, area specific policies and plans, and Zoning Code purposes, the following criteria were developed for evaluating appropriate locations for assembly uses, with the express objective of expanding the opportunities for assembly uses beyond the residential zoning districts:

- ***Site is not located along a major commercial corridor*** (identified as E. 14th Street and Marina Boulevard between San Leandro Boulevard and Merced Street);
- ***Site is not located within the following General Plan Focus Areas: Downtown, Bayfair, Marina Blvd/SOMAR, or West San Leandro*** (each of these Focus Areas is governed by one or more of the following, which governs future development – special study/guidelines, special overlay district, or location within a redevelopment area);
- ***Site is not located in a regional-serving retail area*** (identified as Greenhouse Marketplace, Westgate, Marina Square, and ‘old’ Target site);
- ***Site is not located inside the ½-mile study area identified for the Downtown Transit-Oriented Development (TOD) Strategy;***
- ***Site abuts or is within ¼ mile of an arterial street*** (as identified in the Circulation Element of the General Plan);
- ***Site is not located in a Residential Zone*** (Assembly uses are already conditionally permitted in residential zones, so would not produce new areas for assembly uses to locate if considered);
- ***Site is not considered public land, and is not zoned Public Service (PS), Open Space (OS), or Commercial Recreation (CR); property is not owned by an Exempt Public Agency, or leased/owned by a public utility*** (these areas represent properties and uses that are unlikely to change);
- ***Overlay Area must allow a contiguous area greater than or equal to two acres.*** (This figure was derived from research indicating that large assembly uses require a minimum 2-acre site to accommodate bigger building size and to allow for adequate on-site parking. Staff is not recommending that a minimum acreage be included as part of the Zoning Code text amendments, and suggests that future applications for amendments to the Assembly Use overlay that may be less than 2-acres in size be given flexibility in a manner that would conform to the Religious Land Use and Institutionalized Persons Act [RLUIPA].)

After inputting General Plan policy and Zoning Code criteria, several potential overlay areas, located throughout the City, were derived where staff recommends assembly uses could be conditionally permitted. This would be accomplished via a Zoning Code text amendment to define the Assembly Use Overlay and then a Zoning Map amendment designating all of the

applicable areas with the new Assembly Use Overlay. Under this proposal, the underlying zoning designations for each of the individual properties would not change, similar to how the -S and -PD Overlay Districts are utilized. In addition, implementation of the Assembly Use Overlay would not affect the existing use of the property, or the current list of permitted uses. It would allow the property owner to apply for a conditional use permit for an assembly use in the future, where such uses are not currently permitted. With this option, a total of 197 properties, encompassing approximately 211.1 acres, would be rezoned with the Assembly Use overlay.

Staff notes that Religious Assembly and Clubs & Lodges uses (to be re-defined as Assembly Uses) would continue to remain conditionally permitted in R Districts.

Current City Council Policy

Not applicable.

Previous City Council Action

Not applicable.

City Council Committee Review and Action

This item was presented by staff at the October 12 Business Development Subcommittee meeting.

Applicable General Plan Policy

See Discussion above.

Permits and/or Variances Granted

Not applicable.

Environmental Review

Because this proposal includes a rezone of properties with a new overlay, this action is subject to the California Environmental Quality Act (CEQA) and an Initial Study Checklist and Negative Declaration were prepared by staff. The 20-day public review period established for the Negative Declaration commenced on February 1 and concluded on February 20. No comments on the Negative Declaration were received.

Code Compliance Review

Not applicable.

Board/Commission Findings

At the joint Board of Zoning Adjustments/Planning Commission worksession, the consensus for direction to staff was to analyze the option of creating an Assembly Use overlay, as it represented an opportunity for inclusion of more properties and acreage for assembly uses as being conditionally permitted, than the other option did.

The Board of Zoning Adjustments reviewed the matter at its December 7 meeting, recommending that the Planning Commission make a favorable motion to the City Council. The Planning Commission reviewed a summary of the proposed ordinance and held a public hearing at its February 22, 2007 meeting. Minutes from the Board of Zoning Adjustments and Planning

Commission meetings are included as attachments. The Planning Commission forwarded a recommendation of approval of the proposed ordinance and map amendment to City Council.

- “The areas most suitable for conversion to non-industrial uses are those located adjacent to existing housing, or in areas which lack the amenities to meet the needs of modern industry. Such areas exist along San Leandro Boulevard, Alvarado Street, and Marina Boulevard” (Page 3-52 of the General Plan);

Summary of Public Outreach Efforts

Legal advertisements were placed in the Daily Review newspaper for the March 19 City Council meeting, the February 22 Planning Commission and December 7 Board of Zoning Adjustments meetings, and for the October 19 joint work session. In addition, all of the owners whose properties are proposed for the overlay were sent a courtesy notice for the public hearings.

Fiscal Impact

Not applicable.

Budget Authority

Not applicable.

Attachments:

- A. Proposed Zoning Map Amendments
- B. Recommended Findings for Approval of Rezone
- C. Negative Declaration and Initial Study Checklist
- D. February 22, 2007 Planning Commission staff report (w/o attachments)
- E. Excerpt of Draft Minutes from February 22, 2007 Planning Commission meeting
- F. Excerpt of Minutes from December 7, 2006 Board of Zoning Adjustments meeting
- G. Excerpt of Draft Minutes from the December 20, 2006 West San Leandro/MacArthur Boulevard RAC meeting
- H. Excerpt of Draft Minutes from the January 17, 2007 Joint RAC meeting
- I. Excerpt of Minutes from October 19, 2006 joint Board of Zoning Adjustments/Planning Commission work session
- J. Correspondence

CONCLUSION

The Board of Zoning Adjustments, the Planning Commission and staff recommend that the City Council hold a public hearing and adopt the Negative Declaration; adopt the proposed Zoning Code amendments to Articles 3, 5, 13, and 17; and the Zoning Map amendments for the 197 identified properties.